



PROJECT MONITORING CLAIM REPORT

Eightfold

Austin, TX

REPORT NUMBER 11

MAY 21, 2019

PREPARED FOR:

Romspen Mortgage, L.P.

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BTY.COM

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Knowledge to build with.*

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Report Number 11 | May 21, 2019



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Prepared By	Reviewed By	Date	File No.
Jason S. Corwin, CPC	Chris Welsh	May 21, 2019	US9874



1.0 Introduction

1.1 Instructions Received

This Progress Claim Report ("Report") has been prepared by BTY US, LLC ("BTY") at the request of Romspen Mortgage, L.P., (the "Lender"). The Report is intended to provide a general overview of the fundamental features of the project, as provided to us by the Borrower, including confirmation of any revisions to the project budget; progress on site; and costs incurred to date. This Report is to be read in the context of the Lenders' Terms and Conditions outlined in the Lender's Term and Construction Loan Letter, dated February 1, 2018, and BTY's engagement for the Project, dated December 1, 2017. Lender has requested BTY to review and comment on additional documents related to the project such as accounts payables, draw conformance, etc. As such, BTY has revised our standard reporting as necessary to accommodate these requests.

1.2 Reliance upon the Report

This Report is for the sole reliance of the Lender. BTY US, LLC, its directors, staff, or agents do not make any representation or warranty as to the factual accuracy of the information provided to us on behalf of 3443 Zen Garden Limited Partnership (the "Borrower"), its subcontractors or agents, upon which this Report is based. This Report contains confidential information and shall not be reproduced or distributed to any party other than the recipients noted above without the express permission of BTY US, LLC.

1.3 Reporting Qualifications

This report has been prepared based on information provided to us by the Borrower up to the date of issue of this report. BTY US, LLC has reviewed the information provided to us as part of our due diligence procedures, to ensure that the Borrower's application for payment is reasonable. BTY US, LLC does not accept accountability for information that has not been provided to us or is not available at the time of preparing this report.

BTY US, LLC is a professional firm of Quantity Surveyors and is not qualified to provide confirmation that the works are being constructed in accordance with the approved drawings, specifications and regulatory approvals. If the design consultant of record has provided us with this confirmation, we will include the documentation as part of our report.

1.4 Contacts

If you have any queries in relation to this report, please contact:

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2.0 Executive Summary

Site Visit	Details	Comments
Date of Visit	May 1, 2019	
Schedule		
Actual Start on Site	April 2017	Works commenced by Panache – previous work was started by others prior to Panache’s involvement
Forecast Completion	November 28, 2019	see Section 10.0 for details
Schedule Status	5-months delay	see Section 10.0 for details
Loan Maturity Date	24 months	With a 6-month extension option
Drawdown		
Loan Draw Recommended this month	\$ 2,029,481	Subject to all outstanding required documents being provided to the Lender as detailed within this report
Cumulative Loan Advance to date	\$ 75,599,348	Includes current claim
Construction Budget		
Original Budget	\$ 52,053,815	Excluding PACE
Current Forecast Final Cost	\$ 52,053,815	Excluding PACE
Current Variance / Status	\$ 0	Refer to Section 5.0 for detailed information
Work-in-Place	\$ 33,068,475	64% complete to date
Development Budget		
Original Budget	\$ 52,122,205	Excluding PACE
Current Forecast Final Cost	\$ 50,471,774	Excluding PACE
Current Variance / Status	\$ 0	(1,650,431) Overall - Refer to Section 5.0 for details
Work-in-Place	\$ 42,530,872	84.3% complete to date
Overall Project Budget		
Total Forecast Final Cost	\$ 102,525,589	Not including PACE
Total Work-in-Place	\$ 75,599,348	59.3% complete overall
Cost to Complete		
Remaining Loan Facility	\$ 28,995,723	Not including PACE
Remaining Cost to Complete	\$ 26,926,241	Not including PACE
Contingency		
Drawdown on Contingency this month	\$ 0	
Balance of Contingency Remaining	\$ 618,268	Refer to Section 6.0 for additional details
Retention		
Retention	\$ 149,312	Refer to Sections 3.0 and 18.0 for details
Retention Release	\$ 0	
Notes / Other Comments		
Various documents requested remain outstanding, and BTY cannot adequately comment on whether the current cost to complete balance is adequate or if the project will be completed on time. Details are included within the report.		



3.0 Draw Recommendation

We have reviewed Draw No. 11 which was submitted by Ms. Amanda Woodham on May 8, 2019 (although the final documents required for BTY's review were not provided until May 17, 2019), representing 3443 Zen Garden Limited Partnership, ("Borrower"). A site visit was carried out by BTY US, LLC ("BTY") on May 1, 2019.

BTY notes that BTY, Lender, Borrower and Panache Development & Construction, Inc., ("Panache") have been working on creating a definitive checklist of documents that will be required with each and every draw request from the Borrower. We note a final, fully approved version of the checklist has still not been agreed to by all parties, and we recommend that this occur as soon as possible to avoid continued confusion on documentation requirements. With this draw, Panache has again provided their own version of the draw checklist; therefore, certain documents on the Lender's version of the list have not been provided. As such, BTY recommends that Lender fund the current draw only if they are satisfied with the documents provided and are willing to accept that Panache and the Borrower have not provided certain documents. Outstanding items are detailed in various sections within this report and specifically within Section 4.0 below.

Based on the information provided by the Borrower and our site visit, we recommend that Romspen Mortgage, L.P., (the "Lender") make an advance on its loan to the Borrower in the amount of **\$2,029,481** subject to all outstanding, required documents being provided to the Lender as detailed within this report (and specifically within Section 4.0).

The current progress draw (not including PACE) can be summarized as follows:

Total Loan Amount	\$	102,525,589
Less: Cost-to-Complete	\$	(26,926,241)
Total Gross Advance Available	\$	75,599,348
Less: Previous Advances	\$	(73,569,866)
Total Recommended Advance	\$	2,029,481

The Total Recommended Advance excludes interest. BTY understands \$5,397,045.42 has been collected to date through April 22, 2019.

We note that the overall construction and development budget includes a \$25,000,000 loan facility from Cleanfund Commercial PACE Capital Funding, ("PACE"); however, that loan has not yet closed, and the Borrower has not yet requested funds for any PACE scope items. BTY is aware that the Borrower has begun work that is to be reimbursed by PACE, although we understand that as of our latest site observation on May 1, 2019 the PACE funding was still not in place. Although BTY is not providing funding recommendations on the PACE scopes of work, the completion of the scopes materially affect the ongoing success of the project. If the PACE agreement does not close, or if the funding is delayed, the project may not be completed with current loan funds. In this case, the Borrower would be required to contribute additional equity and the project would stop until such time as this occurs. Once PACE funding starts, we will include the tracking of such in our draw summary so that the Lender is aware of the status and remaining costs to complete. This period, BTY was provided with an update from Panache regarding PACE within their Progress Report 11 which was provided on May 17, 2019. The update was extremely detailed and is included in Appendix 4 as an attachment to this report. As the update is extensive, BTY has not reproduced it here.

Note that this advance may be adjusted by the Lender for the following:

- Additional financing fees if required
- Interest costs (refer to Section 15.0)

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Equity Notes

Per the Lender, the Borrower has met current equity requirements. However, based on the level of contingency in the project budget, the identified completion delay and items which remain outstanding as detailed throughout the report and specifically within Section 4.0, it appears there may be an upcoming funding shortfall without an additional equity injection. It is, however, impossible to quantify the amount of additional equity due to the insufficient backup provided to date.

Retention

Limited retention, in the amount of \$149,312, is noted as being held on the construction contract – please refer to Section 18.0 for details.

Please refer to the Appendices for a copy of the current Quantity Surveyor's Loan Advance Recommendation Certificate, along with the supporting Draw Summary.

4.0 Progress Draw Review

We have not made any adjustments to the Borrower's budget this month for the FHJ, Service Facility or TI scopes.

In a previous period, it was noted that a previously billed amount of \$75,000 in the FHJ budget for the "Concrete and Concrete Coring" line item was moved by the Borrower on their pay application to the "Concrete for Decking (2 New Floors per Building)" line item. This revision did not affect the draw amounts then or currently.

As mentioned in Section 3.0 above, a new draw checklist prepared by the Lender was in progress prior to this claim which currently totals 32 items, with only 24 items indicated to be required each period. This period, certain items were not provided due to the Borrower using their own checklist form which includes only 25 items in total. We recommend that a final checklist, agreed to by all parties, be adopted prior to the next draw. References to Item Nos. in the list below relate to the numbering on Romspen's list. All outstanding or incomplete items are as follows:

1. Full backup and supporting invoices from all subcontractors, suppliers and subconsultants (Item 7 on the current checklist). Certain documents have been provided; however, BTY cannot confirm all payments requested. Panache have previously indicated they would not be providing additional information due to: the companies they are dealing with not being large enough to provide adequate backup, Panache has been unable to execute prime contracts because of the funding situation, and the smaller subcontractors not using a G702/G703 format. Although there remains a lack of certain backup information, BTY notes that again this period we are getting better detail. BTY recommends Lender review this requirement again with the Borrower and Panache, and we recommend that a final checklist, agreed to by all parties, be adopted prior to the next draw. BTY also notes that even though certain subcontractor invoices are being provided, they generally still do not include the subcontractor's original budget, any changes, current budget, previous payments, current payment and balance of cost to complete for their contract.
2. Invoices, releases and cancelled checks (>\$10K) for work performed by Panache – Item 8 on the Romspen checklist. Certain lien waivers have been provided, but no invoicing other than an overall invoice from Panache was provided with the draw request. However, Dan Richardson with Romspen was onsite and reviewed certain invoicing and cancelled checks for Panache's self-performed work. Mr. Richardson stated that his review was satisfactory.
3. Panache check register and copies of cancelled Panache checks for prior draw's payables (for all checks >\$10K and for seven checks <\$10K (chosen by Lender)) – Item 9. This period, BTY is aware that Mr. Richardson reviewed certain checks at Panache's offices, and we understand he was satisfied with the review.
4. Check reconciliation tying into the draw and payout amounts/AP (aged) – Item 10. Panache previously stated they do, "not and will not provide check reconciliation as part of the draw process. Panache is not



- the borrower. Panache will perform under the construction contract requirements. We can give you a check reconciliation for the Borrower." BTY notes for Draw 11, as was the case with Draws 5 through 10, an AP report was provided for Panache (only for FHJ, TI and Service Facility scopes); however, the document does not provide adequate information to fully understand who was paid with the last draw funding.
5. Borrower/Eightfold bank statements and cancelled checks – Item 11. Previous and current bank statements for Eightfold Developments, LLC were provided this period. However, neither a General Ledger nor a Balance Sheet were provided.
 6. Accounts payable and aging list (relating to the entire property) broken down into Buildings, Servicing and Phases – Item 12. An AP report was provided for Panache dated April 26, 2019, which identified each item as related to either FHJ, TI Scope or Service Facility; however, it did not include any scopes beyond FHJ TI's and the Service Facility. Panache's previous response to this request for information relating to other scopes of the project was that "There had been significant investments that were made on the Campus prior to the closing of the loan. Panache deferred \$3.2 million in unpaid invoices and that is reflected in the loan documents. That bill will be paid according to the loan documents. There are other expenses that Panache is paying for which was disclosed to Richard, Blake and Jason which encompasses very little in marketing as well as grounds maintenance that happens routinely. Under the loan documents, the owner is not required to report investment in its own property".
 7. Unconditional notarized lien releases/waivers (including declaration that all accounts have been paid) from all subcontractors/suppliers paid from the preceding draw – Item 14. Approximately \$805,054 in subcontractor unconditional lien waivers were provided for the current Draw 11. Further, approximately \$694,452 of subcontractor unconditional waivers have been provided with this draw package for the Previous Draw 10, and \$587,567 in unconditional lien waivers were previously provided as part of the Draw 10 package. Using these amounts, a total of \$1,282,039 of unconditional waivers have been provided for the previous Draw 10 total draw request of \$2,786,112 including Panache's own work.
 8. Updated Budgets – Item 16. We note that the interest line item in the overall budget does not reflect the interest carry that will be required for the currently projected 5-month completion delay, 2018 property taxes are not included, nor are any revisions which may be necessary for contingency. Panache requested with the previous Draw 7 that property taxes and additional testing be funded from the Interest Reserve and Closing Costs line item in the budget; however, BTY's opinion is the contingency be reallocated to fund the respective line items, and then the funding should occur from those line items. BTY previously raised this issue with the Lender's representative, Mr. Richardson who stated that he'd also discussed this internally with the Lender; however, a resolution was not provided. BTY recommends that the Lender confirm this is acceptable.
 9. Retainage Log – Item 20. A Holdback Log was provided which does show a minor amount of retention being withheld on three of seven specific contracts with payments to date (\$149,312 of \$12,435,811 draws to date, including this period). BTY's opinion remains that additional retention should be being held by Panache; however, Panache has previously provided explanations as to why they do not want to do so.
 10. Listing of Offsite Materials – Item 21. The Borrower provided a Stored materials Log showing only Austin Glass as having offsite materials; however, BTY believes there may be other items which are simply not being broken out correctly. This point was again discussed with Panache at our previous observation on January 18, 2019. It was explained by BTY and Dan Richardson what is being requested. Although the log this period was not blank, as had been in previous periods, we expected there to be more clarity on this item based on the recent discussions.
 11. Updated plans and specifications, copies of approved contracts (previous and current) – Items 25 (a & b) and 26. Panache had previously agreed to setup a folder on the BOX site for all executed contracts. On February 7, 2019, a folder was setup and certain draft contracts were uploaded; however, executed copies of all subcontracts have not yet been provided. These are recommended to still be provided for review.



5.0 Project Budget Review

We have not made any adjustments to the Borrower's budget this month for the FHJ, Service Facility or Building F first and second floor TI scopes.

We note that we are currently unable to confirm the cost to complete shown in the Project Budget is adequate to complete the project. This is due to the lack of complete information, and additional documents requested by our Client from the Borrower and Panache.

Refer to Section 4.0 above for details regarding the Borrower's backup provided and documents which remain outstanding.

See Section 6.0 below for specific commentary on contingency.

6.0 Contingency Status

Although the Borrower includes \$1,000,000 in contingency within their contract of \$80,212,972, BTY's original recommendation was for a loan budget Contingency amount of \$2,268,699, or 2.9% of the Construction Budget Hard Costs total of \$79,442,844 (Loan funds and PACE funds combined). BTY originally removed the \$1,000,000 contingency from the Borrower's hard costs and replaced it with our recommended amount above, such that the total loan amount would have been \$104,176,020. We note however, that as the loan has been capped at \$102,525,589, this effectively reduced the contingency by \$1,650,431, and the budget was therefore \$618,268. No contingency use was noted this period, and the balance remaining currently represents 1.5% of the hard costs 'cost to complete' (Loan and PACE combined) amount of \$42,554,830.

This period, and due to the inadequacies of the documentation provided (as identified in Sections 3.0 and 4.0), BTY continues to not be able to confirm the cost to complete budget is adequate, and that the current schedules can be met (even with the 5-month delay currently noted). As such, we opine that a 5% contingency be considered for the current cost to complete total of \$26,307,974 (the current cost to complete for FHJ and Service Facility of \$26,926,242, less contingency, and not including PACE). This equates to \$1,315,399. If the Borrower and Panache can provide adequate documentation moving forward, this recommendation will be reconsidered.

Further, Panache requested with the previous Draw 7 that property taxes and additional testing be funded from the Interest Reserve and Closing Costs line item in the budget; however, BTY's opinion is the contingency be reallocated to fund the respective line items, and then the funding should occur from those line items. BTY raised this issue with the Lender's representative, Mr. Richardson who stated that he'd also discussed this internally with the Lender although a resolution was not provided. BTY recommends that the Lender confirm this is acceptable.

We further note that the Borrower's \$1,000,000 contingency was to have reportedly come from Texas Department of Transportation (TXDOT) related to a potential settlement from ongoing arbitration between the development and TXDOT for encroachments and additional issues including, but not limited to, a portion of the access road which is subsiding and will have to be repaired and retention ponds which TXDOT constructed on the Borrower's land without permission from the Borrower. As the mediation is not yet complete, the amount of a settlement cannot be confirmed as "Contingency".

We will continue to monitor contingency levels against any further budget revisions or change orders approved and advise of its adequacy.



7.0 Change Orders

This period, as part of the new checklist mentioned throughout this report, BTY requested a Change Order Log – to include executed or pending change orders, regardless of funding source or whether total budget increases or not (i.e. identifying potential or actual line item revisions). Once again, Panache provided a log showing no change orders executed or pending; however, we are of the opinion this was done to appease the Lender, as BTY has been made aware of various items previously that may affect the total costs – see below for details.

Panache's statements to date regarding any change orders are that they have a fixed price contract, and so no changes will occur. Without complete transparency from the Borrower and Panache, it remains unclear if there will be change orders.

Per emails and discussions with Panache, in the last round of his contract budget revisions prior to closing, certain line items were reduced. Due to this, it has been stated that the Owner will need to fund certain items. We note it appears these items may, at some time, need to be included as change orders if the Owner does not fund them. The reduced line items are as follows:

- The balance to complete the contractor's lounge (the temporary housing facility being constructed for the workers being utilized by Panache to keep the construction costs down). The original budget was \$154,563 but was reduced to \$75,000 in the final budget. The difference, per Mr. Zarafshani, will have to be funded internally;
- The \$300,000 reduction of the "Restoration of Service Common Areas" line item which, per Mr. Zarafshani does not impact building F/H/J or V, however, they will have to do this work internally because it deals with the overall appearance of these buildings;
- A \$100,000 reduction in the FHJ insulation line item which reportedly takes the insulation down to the minimum to obtain C of O, but which will have to be added back in when the TI's are done;
- A \$100,000 reduction in the FHJ plumbing fixtures line item which reportedly ties to a reduction in the extent to which the restrooms in buildings H and J will be constructed in order to obtain C of O, but which will have to be added back when the TI's are done;
- A \$100,000 reduction in the FHJ lobby furniture line item which reportedly ties to a reduction in the number of furnishings for only two lobbies, but which will have to be added back when the TI's are done.

The total of all items above is \$679,563, and although none are reportedly required to obtain a Certificate of Occupancy, it is clear they represent deferred items. In addition to the items above, \$229,868.76 for 2017 property taxes and \$35,000 in fees to City of Austin were previously paid for; however, they were removed from the final contract budget (although included previously). The total of these two items and the items noted in the list above is \$944,431. BTY also notes that the Borrower's current budget does not include 2018 property taxes in the amount of \$234,645, which was drawn from the Interest Reserve & Closing Costs line item in the overall budget. BTY recommends that Lender confirm that this is the correct line item to draw the taxes funds from. The total of all items above is \$1,179,076 while current contingency is only \$618,268.

Within the previous Progress Reports provided by the Borrower for Draws 3 and 5-10, BTY notes that multiple items were noted as having potential (or determined) cost impacts. These potential costs are detailed in our previous reports for the draws.

The Borrower has also stated during our site observations that there are various items for which there was no original budget for, and as such they are self funding – the source of funding for each of the items has not been specified. We asked the Borrower, during a previous site observation on August 9, 2018, how they were tracking these items in the case that they may want reimbursement from either sales proceeds or loan funds at a later date, and we were told that they are keeping a separate record of these items. BTY recommends the Lender be given copies of these records so they may track how much the Borrower is adding to the project. The Borrower is effectively increasing the total budget costs for the project which, although this does not increase the loan requirement, it may have an effect on the true cost to complete, the valuation and/or the sales price of the project at a later date.

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We note that BTY US, LLC has not been appointed to approve any change orders, although we will review them. It is the responsibility of the Borrower and the Design Team to undertake a review and subsequently approve any change orders and provide an update to the budget and schedule accordingly.



8.0 Project Description

A summary of the project is as follows:

Item	Comments
Type of Project	Office/flex/industrial campus. The first phase currently under development includes four buildings. In the first group are buildings F, H, and J. These buildings are currently two-stories and will be improved to add two stories above the second floor. The fourth building is Building V, which is currently being partially renovated as the Eightfold sales offices and Panache Construction offices. The remainder of the building will be renovated at a future date as a medical wellness spa.
Site Address	The project is located along the east side of Ed Bluestein Blvd. and approximately .70 miles south of the Ed Bluestein Blvd/Martin Luther King Blvd intersection, in the City of Austin, Travis County, Texas.
Structure	Buildings FHJ and V are existing and are comprised of steel and concrete framed structures with slabs on grade supported on continuous and spread footings.
Envelope	The exterior finishes will generally consist of an aluminum storefront window wall and curtain wall systems, architectural painted concrete, EIFS, and metal wall panels. amenity terrace areas. The roofing systems shall be a TPO membrane system.
Finishes	The interior of Building V will have a high level of finishes, including ceramic tile, carpet, cabinets & quartz countertops. FHJ will generally be finished to a warm shell in preparation for tenant improvements. We note that the Tenant Improvements will be undertaken in conjunction with the tenants. At this time, only a portion of Building F Tis are included in the scope of work and budget.
Services	Standard mechanical and electrical services will be provided for FHJ to take the structure to a warm shell, including plumbing & drainage, FCU heating and cooling, sprinkler fire protection, power and data/communications, lighting, and security system. Electrical panels and HVAC rough-in will be provided to the tenant areas. The portion of Building V under this contract is to be taken to a completed status for MEP. The building will be served by six elevators.
Site Works	Site improvements include drives, walkways, parking, landscaping, retaining walls and other various improvements related to, and for the benefit of Buildings FHJ and V. A "Contractor's Lounge" (a newly constructed temporary housing facility that will provide living quarters for a limited number of workers) is included



9.0 Status of Work

A site visit was carried out by BTY US, LLC on May 1, 2019, and the status of works was as follows:

Item	Comments
Demolition Scope FHJ	Substantially complete.
Structural Steel FHJ	In progress to Level 4 in FHJ and complete in F and substantially complete in H. Columns and floor trusses are in progress at J.
Mechanical FHJ	Ductwork and piping in progress at Levels 1 thru 4 in F, Levels 1 and 2 in H and Level 1 in J. Certain mechanical units onsite.
Electrical FHJ	Site transformers and switchgear installed or located onsite for F. Rough electric in progress in F Levels 1 thru 4 and Levels 1 and 2 in H.
Plumbing FHJ	Fire sprinklers and plumbing rough-in in progress at Levels 1 thru 4 in F, Levels 1 and 2 in H.
Framing FHJ	Substantially complete at Levels 1 through 4 in F and in progress at Level 1 in H.
Finishes FHJ	Exterior sheathing and windows in progress at Levels 1 thru 4 in F. Drywall generally complete in Levels 1 and 2 in F.
CSP1 and CSP2	Buildings in place, electrical gear and meters installed.
Central Plant	Demolition complete and new concrete pads poured. Mechanical, plumbing and electrical work ongoing interior and exterior.
Sitework	Various sitework in progress, landscaping in progress, certain utilities complete and in progress.
Building V	Renovation substantially complete.

Please refer to the Appendices for copies of the Site Photographs.

10.0 Schedule

The duration noted in the original schedule for FHJ was 18-months, it was subsequently updated and indicated an approximate 22-month duration. A further revised schedule, dated as of November 28, 2018 and provided previously with Draw No. 5, identified a duration of approximately 23 months or an overall 5-month increase from the original schedule. With the previous Draw 10, and after BTY and our Client repeatedly requested that an updated schedule be provided, one was provided for both FHJ and the initial Tis for Work Well Win. The schedules were dated April 11, 2019. This period, the dates in the schedules provided remain unchanged.

The November 28, 2018 schedule for the FHJ Buildings and the Service Facility (not including the TIs) showed a start date of January 5, 2017, and a completion date of November 26, 2019. The updated schedule shows a completion date of November 28, 2019 for FHJ and the Service Facility. Specifically, and as it relates to the current observation by BTY on May 1, 2019, we note that for Buildings FHJ and the Service Facility, the schedule generally appears to correlate to the work in place. In the current Draw 11 Progress Report provided by the Borrower, they stated that the following, "Just from the beginning of this year, we have had 17 days of weather that affected our work... The impact on construction has been substantial but the contractor has been working around the clock, seven day per week to minimize the impact on the schedule. We are still going through rain patches. We are hoping for this period to end by the end of May and the contractor is having conversations with all the subs to see what impact the rain has had." In the previous progress report provided with Draw 10, the Borrower stated that, "It is important to note that the project has lost four weeks due to weather conditions and 90 days in delays due to lack of funding in accordance with the loan documents."



It is critical for Panache to provide complete, updated construction schedules for FHJ, Service Facility and TI work with each draw request in order to quantify delays and their impact on budgets. This is also necessary for BTY to comment on progress to date and opine whether it remains on track and if the costs to complete are adequate.

The previous November 28, 2018 schedule included a completion/turnover date for the Network Group TI scope of work of April 16, 2019; however, this was not achieved. The new schedule for the Tis provided with Draw 10 indicates a completion date of June 15, 2019 – a two-month delay to date. The Borrower stated that this date is acceptable to Network Group.

We will continue to monitor the progress of the works on site over the coming months and advise accordingly.

11.0 Confirmation of Equity

As advised by the Lender, the Borrower has met current equity requirements. However, based on the level of contingency in the project budget, the identified completion delay and items which remain outstanding as detailed throughout the report and specifically within Section 4.0, it appears there may be an upcoming funding shortfall without an additional equity injection. It is, however, impossible to quantify the amount of additional equity due to the insufficient backup provided to date.

12.0 Lien Waivers

The following lien waivers from Panache have been received this Draw:

Lien Waiver Type	Entity Name	Amount (\$)	Date
Unconditional	Panache Development and Construction, Inc.	\$2,786,111.67 (Draw 10)	5/6/19
Conditional	Panache Development and Construction, Inc.	\$2,029,480.70 (Draw 11)	5/6/19

A lien waiver tracking log was provided. Unconditional notarized lien releases/waivers (including declaration that all accounts have been paid) from all subcontractors/suppliers paid from the preceding draw were requested, although not all have been provided.

Approximately \$805,054 in subcontractor unconditional lien waivers were provided for the current Draw 11.

Approximately \$694,452 of subcontractor unconditional waivers have been provided with this draw package for the Previous Draw 10, and \$587,567 in unconditional lien waivers were previously provided as part of the Draw 10 package. Using these amounts, a total of \$1,282,039 of unconditional waivers have been provided for the previous Draw 10 total draw request of \$2,786,112 including Panache's own work.

The lien waiver tracking summary and all waivers provided for both Panache and the subcontractors are included in the Appendices.



13.0 *Project Consultant's Certificates*

The contractor, Panache, has engaged several consultants to perform inspections for concrete, structural, mechanical, electrical and plumbing on the project. This period, Panache provided multiple letters and inspection reports covering each of these elements, and no exceptions or failing results were noted. Panache is also working with the city inspectors, and no issues have been noted to date. This period, in response to the checklist of required documents for each draw (although we note that the draw checklist has not yet been finalized), Panache provided copies of the application for payment which was signed and notarized by Panache and the Borrower on May 6, 2019, a G702/G703 signed/certified by the architect on May 6, 2019, and an application and certificate for payment reviewed and signed by Mint Engineering on May 6, 2019. The application signed by Mint is considered to be their proof of inspection; however, the document appears to be no more than a rubber stamp.

BTY US, LLC is not qualified to provide confirmation that the works are being constructed in accordance with the approved drawings, specifications and regulatory approvals.

14.0 *Contract Status*

A final construction contract dated April 20, 2018 was previously provided which is between Panache Development & Construction, Inc., ("Contractor" or "Panache") and 3443 Zen Garden Limited Partnership, LLC ("Owner"). The contract is for the duration of 18 months, commencing, "on or before four (4) business days after the latter of (A) the issuance of the completed construction documents and (B) the issuance of the permit by the City of Austin and all other entities having permit jurisdiction." BTY notes that the contract is generally similar to a Stipulated Sum type, and that the Borrower and Contractor are related entities.

We have received copies of the following subcontract agreements (or notices that contracts are forthcoming):

Trade	Contractor
Glass	Austin Glass – not provided, and reportedly not executed yet. BTY notes that Panache is already paying Austin Glass for work to date under an "informal agreement" which we note as cautionary. We will discuss this again with Panache at our next site visit.
Work Well Win Mechanical TI Scope	Capital Industries, LLC (provided with Draw 9)

To date, BTY has been provided with the following subcontracts:

Trade	Contractor
Mechanical (Chiller Plant)	Trane U.S., Inc.
Elevator	Schindler Elevator Corporation – executed version provided with Draw 8
Curtainwall Glass Provider	Kawneer Company, Inc.
Steel Materials	Wembley Metal Buildings, LLC
Electrical	ACM Services Electrical Contractor
Shell and Core and TI (HVAC)	Capital Industries, LLC

Romspen Mortgage, L.P. | Eightfold
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It appears that, at a minimum, we are missing the following subcontracts:

Trade	Contractor
Structural	A-1 Engineering
Architect	GSC Architects
Soil Testing	ECS Geotech
MEP	Mint Engineers
Electrical	Schneider Electric
Land Planner	Central Texas Development Assessments, Inc.
Structural/Civil	PSCE, Inc.
Environmental	Melton
Electrical	CT Laborers Electric, LLC
Paint	Sherwin Williams
Electrical	Solomon Companies
Electrical	Hill Country Electric Supply
Excavation	Bates Backhoe
Surveyor	McMinn Land Surveying Company
Excavation/Regrading	Summer Legacy
Fire Sprinkler	Austin Commercial and Residential Plumbing
Fire Sprinkler	Paul Cervantes
Fire Sprinkler	Koetter Fire Protection of Austin, LLC (draft version provided)
Fire Sprinkler	Ferguson Enterprises
Fire Sprinkler	Fastenal
Concrete	Texas Concrete
Fire Sprinkler	Days End Lawn Sprinkler
Miscellaneous	SA Reconstruction Crew
Waste management	North American Contractors
Windows	Lone Star
Windows	Keytech
Crane	Texas Crane
Rentals	Ahern Rentals

We note that the Subcontractor Vendor Contact Log provided with Draw 11 lists 33 Subcontractors, 82 Servicers or Suppliers, and 20 Professionals. Once again, and as noted previously, it is clear we do not have copies of the

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majority of contracts executed – see Appendices for details. BTY requested that Panache setup a new folder on the Box site for all contracts (and keep them updated as revisions/additions are made). Panache agreed to do so; and on February 7, 2019, a folder was setup and certain draft contracts were uploaded; however, executed copies of all subcontracts have not yet been provided. These are recommended to still be provided for review. As we have not received copies of all subcontracts, we cannot confirm that the budget is adequate to complete the project.

15.0 *Interest Reserve Status*

The Total Recommended Advance does not include interest. BTY understands \$5,397,045.42 has been collected to date through April 22, 2019 which has been reflected in our current Draw Summary – See the Appendices.

16.0 *Insurance Coverage*

With Draw 10, Panache provided a Certificate of Insurance Log and certificates of insurance for certain subcontractors. Certain of the insurance certificates provided are duplicates of those provided previously.

We previously received a copy of Panache's Certificate of Liability Insurance for review (and again this period), dated November 9, 2018 which names the Borrower and Lender as additional insured. BTY is not an insurance specialist, and we recommend the Lender discuss the insurance provisions within the Loan Agreement and any uninsured excess with a specialist insurance practitioner to ensure the scope and level of insurance are appropriate for the contemplated works and the extent of the potential risk involved. A copy of Panache's certificate of insurance was previously included Report No. 5.

We are aware that the Lender has required the Borrower, specifically Adam Zarafshani, to obtain a separate life insurance policy in the amount of \$10MM. Within the document package for Draw 11, Mr. Zarafshani provided the following statement, "We now have the \$10 million policy in place and are awaiting a copy. It is two \$5 million policies. Although we do not have a formal agreement in place with Romspen requiring the Keyman policy, we did it anyway." BTY recommends that our Client confirm they have received the balance of the insurance policy prior to funding.

We note that insurance policies and coverage are subject to review and approval of the Lender's Insurance Consultant.

17.0 *Sales Status*

3443 Zen Garden Limited Partnership as Landlord, and Network Group, LLC as Tenant, entered into a Lease Agreement on October 14, 2017. The lease is for 100,000 rentable square feet designated as the first and second floors of Building F, and the term is 120 months. The lease agreement notes that an initial deposit of \$411,833 has been made, and that an additional \$411,833 is to be deposited 60 days prior to the commencement date. The commencement date is defined as, "the earliest of (a) the date on which Tenant occupies any portion of the Premises and begins conducting business therein; or (b) 30 days after the date on which the Work (...) in the Premises is Substantially Completed." The current loan budget includes an allowance of \$6,646,380 (or \$60/sf) for the Landlord's contribution towards tenant improvements for Building F (all four floors), and the lease agreement also notes a \$60/sf contribution for the leased space (100,000 sf). A specific calendar Commencement Date has not been defined; however, the current schedule notes a June 15, 2019 turnover. See Section 10.0 above for additional details on timing issues.

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The Borrower also provided information for Network Group (Work Well Win) in their Progress Report for Draw No. 11 as follows:

“Network Group –

- a. Network Group has terminated their interior designer, Cecilia Walker. She was expected to visit Austin in April and May which did not occur. She has handed off the file to Panache’s interior designer, Angela VanDeWalle.
- b. Network Group has not ordered or finalized their hardware selection which makes the move in date impossible to set. Hardware selection and installation is part of substantial completion and certificate of occupancy. Under Uniform Building Code, Section 1010.1, a copy of which is going to be attached to this report, requires the controlled access hardware to be installed as part of the requirement to obtain temporary occupancy.
- c. We still have unpaid invoices for their low-voltage, appliances and lighting. We will keep you posted in that regard.
- d. We have asked our counsel at Hinshaw and Culbertson to review the lease and they will be sending a letter next week and it will be followed up by other methods according to the lease. Our position is that as of May 1 would have been ready for substantial completion had they performed their obligations under the lease and had not made so many changes to the plans. Our position is very clear that they start burning through their three months of free rent as of May 1. To clarify our objective and concern is that we cannot push the move in date out because of their inefficiency and let our building sit empty without creating revenue. Once they start paying rent, and even if the building is empty, that is their choice within the boundaries of the lease agreement. The point is for them to pay rent.”

The Borrower did not provide any updates regarding other potential tenants with their current Progress Report.

18.0 Retention

Industry standard is that 10% retainage be withheld by the Borrower from the prime contractor until 30-days after the occupancy permit has been issued. However, each state varies under this guidance.

Per the Panache construction contract, retention is not defined; however, in discussions with the Borrower, they initially stated at the start of the project that they would be withholding retention on certain scopes/subcontractors on an as-needed basis. They subsequently revised this, stating, “We do not retain funds from subs (...) this has been clarified on multiple occasions. They work from week to week. I do not know what else to say to clarify this for you. If the work is not done by the end of the week, they are not paid. We only have one large contract and on the material contract, we pay for what is delivered. No one does retainage on material. Again, the large contracts are not executed due to funding delays.”

A Holdback Log was provided which does show a minor amount of retention being withheld on three of seven specific contracts with payments to date (\$149,312 of \$12,435,811 draws to date, including this period). BTY’s opinion remains that additional retention should be being held by Panache.

The loan agreement provided does not enumerate retainage other than that the Lender, “may withhold from all Additional Advances amounts necessary to comply with applicable statutory mechanics’ lien retainage requirements”.

Without retention being held, it is difficult for a general contractor to get the subs to finish work, and we do not recommend this methodology.

NOTE: BTY will not be monitoring the Borrower’s administration of the retention funds, BTY will only report to the Lender on the information received from the Borrower. It is solely the Borrower’s responsibility to ensure that the proper funds are deposited into the appropriate accounts as required by legislation. BTY will approve loan advances on a total payment basis, which includes the retention sums.



19.0 *Municipal Approvals*

We confirm that the municipal approvals listed below have been granted at this time. The permits outline the project scope and development parameters, which shall be monitored through the course of construction by the City of Austin, to ensure compliance.

Permit	Permit No.	Date Issued	Comments
FHJ exterior façade work	2017-112310 BP	9/11/17	Copy previously provided
FHJ Building Permit	2018-008415 BP	1/23/18	Full permit for FHJ (viewed online)
FHJ Structural Steel	2018-004035 BP	1/11/18	Viewed online
Building V	2018-050555 BP	3/8/18	Copy previously provided
Work Well Coworking TI's	2018-164751 BP	9/20/18	Copy provided 10/15/19. Expiration Date noted as 3/19/19 – see expiry notes below. Separate permits appear required for mechanical, electrical and plumbing, and such will be requested next period.
Central Plant Mechanical Permit	2019-072574 MP	5/10/19	Provided on May 17, 2019

Note regarding permit expirations: Per City of Austin Code Chapter 25-12, Article 13: A permit expires on the 181st day if the project has not scheduled nor received an inspection. A "Cancelled" and/or "Failed/No Work Performed" inspection result does not extend the expiration date.

The expiration date for the Work Well Coworking is noted to have passed; however, as discussed with the Borrower onsite previously on April 4, 2019, certain inspections have occurred, and the permit has been extended. BTY also performed a check on the City of Austin's Code and Permit tracker website (<https://austin.civicinsight.com/>). Using the TI permit number (2018-164751), we confirmed that all permits remain active, and most show a new expiration date of October 15, 2019.

Copies of, and commentary on, additional permits will be included in our future draw reports.

Previously, BTY was provided with a copy of the Borrower's application for a zoning approval of a Plan Development Area dated October 31, 2017. An update was provided within the Borrower's Progress Report for Draw No. 11 as follows: "The PDA is in its final stages of processing. The staff is not willing to recommend beyond 120 in height throughout for campus and 185 for either B or C. We like the idea of building C because it makes an incredible co-living space and because it is short term, we do not have to worry about restrictive covenants. The package that is attached, PDA - Eightfold Collection presentation, is what is being circulated through council members. The mayor's office has committed into seeing this through. We are now lobbying the council members. Please note that there are a few developers with a lot of powerful connections that see Eightfold's growth as taking away from their development, so they are actively working to slow down our process. However, this is part of every development and we are going to stay our course."



PROJECT MONITORING CLAIM REPORT

Eightfold

APPENDICES

Appendix 1: Loan Advance Certificate & Draw Summary

Appendix 2: Lien Waivers

Appendix 3: Site Photographs

Appendix 4: Other Draw Backup

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APPENDIX 1

*Loan Advance Certificate &
Draw Summary*

Loan Advance Recommendation CertificateProject: *Eightfold*Location: *Austin, TX*Insp. Date: **May 1, 2019**Claim No: **11****LENDER:****Romspen Mortgage, L.P.**162 Cumberland Street, Suite 300
Calgary, AB T2P 2W2**Attention: Mr. Blake Cassidy****BORROWER:****3443 Zen Garden Limited Partnership**2833 Broadmoor Blvd.
Sherwood Park
Alberta, Canada T8H 3H3**Attention: Mr. Adam Zarafshani**

	Loan Budget	PACE Budget	Total	
Original Project Budget	\$ 104,176,020	\$ 25,000,000	\$ 129,176,021	
Approved Budget Revisions	\$ (1,650,431)	\$ 0	\$ (1,650,431)	
REVISED PROJECT BUDGET	\$ 102,525,589	\$ 25,000,000	\$ 127,525,590	100.0%
Original Loan Amount	\$ 102,525,589	\$ 25,000,000	\$ 127,525,589	
Less: Purchaser's Deposits	\$ 0	\$ 0	\$ 0	
Approved Loan Revisions	\$ 0	\$ 0	\$ 0	
REVISED LOAN AMOUNT	\$ 102,525,589	\$ 25,000,000	\$ 127,525,589	100.0%
Original Equity Requirement	\$ 0	\$ 0	\$ 0	
Approved Equity Revisions	\$ 0	\$ 0	\$ 0	
REVISED EQUITY REQUIREMENT	\$ 0	\$ 0	\$ 0	0.0%

Work In Place

Construction	\$ 33,068,475	\$ 0	\$ 33,068,475	
Development	\$ 42,530,872	\$ 0	\$ 42,530,872	
TOTAL WORK IN PLACE	\$ 75,599,347	\$ 0	\$ 75,599,347	59.3%

Cost to Complete

Construction	\$ 18,985,340	\$ 23,569,490	\$ 42,554,830	
Development	\$ 7,940,903	\$ 1,430,511	\$ 9,371,413	
TOTAL COST TO COMPLETE	\$ 26,926,241	\$ 25,000,000	\$ 51,926,241	40.7%

Advance Calculation

Revised Loan Amount	\$ 102,525,589	\$ 25,000,000	\$ 127,525,589	
Less: Cost to Complete	\$ (26,926,241)	\$ (25,000,000)	\$ (51,926,241)	
Gross Amount Available to Advance	\$ 75,599,348	\$ 0	\$ 75,599,348	59.3%
Less: Previous Advances	\$ (73,569,866)	\$ 0	\$ (73,569,866)	
NET AMOUNT THIS ADVANCE:	\$ 2,029,481	\$ 0	\$ 2,029,481	1.6%

RECOMMENDED BY:

21-May-19

Jason S. Corwin, CPC
Director**REVIEWED BY:**

21-May-19

Alistair Dearie MRICS, PQS
Partner

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



OVERALL SUMMARY		(1)	(2)	(5)	(6)	(7)	(8)	(9)				
CODE	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)				
FHJ (LOAN)	HARD COSTS	39,109,970	0	39,109,970	19,965,109	51%	1,547,802	4%	21,512,911	55%	17,597,060	44%
FHJ (LOAN)	SOFT COSTS	2,125,890	0	2,125,890	1,758,294	83%	3,462	0%	1,761,756	83%	364,134	17%
SUBTOTAL FHJ - LOAN BUDGET		41,235,860	0	41,235,860	21,723,403	53%	1,551,263	4%	23,274,666	56%	17,961,194	44%
FHJ (PACE)	HARD COSTS	15,841,603	0	15,841,603	0	0%	0	0%	0	0%	15,841,603	100%
FHJ (PACE)	SOFT COSTS	443,000	0	443,000	0	0%	0	0%	0	0%	443,000	100%
SUBTOTAL FHJ - PACE BUDGET		16,284,603	0	16,284,603	0	0%	0	0%	0	0%	16,284,603	100%
INFRA (LOAN)	HARD COSTS	12,943,845	0	12,943,845	11,386,882	88%	168,683	1%	11,555,565	89%	1,388,280	11%
INFRA (LOAN)	SOFT COSTS	825,778	0	825,778	672,668	81%	2,507	0%	675,175	82%	150,604	18%
SUBTOTAL SERVICE FACILITY - LOAN BUDGET		13,769,623	0	13,769,623	12,059,549	88%	171,190	1%	12,230,739	89%	1,538,883	11%
INFRA (PACE)	HARD COSTS	7,727,887	0	7,727,887	0	0%	0	0%	0	0%	7,727,887	100%
INFRA (PACE)	SOFT COSTS	195,000	0	195,000	0	0%	0	0%	0	0%	195,000	100%
SUBTOTAL SERVICE FACILITY - PACE BUDGET		7,922,887	0	7,922,887	0	0%	0	0%	0	0%	7,922,887	100%
OTHER (LOAN)	MISCELLANEOUS COSTS	46,901,838	0	46,901,838	39,786,914	85%	307,027	1%	40,093,941	85%	6,807,897	15%
OTHER (LOAN)	CONTINGENCY	2,268,699	(1,650,431)	618,268	0	0%	0	0%	0	0%	618,268	100%
SUBTOTAL OTHER - LOAN BUDGET		49,170,537	(1,650,431)	47,520,106	39,786,914	84%	307,027	1%	40,093,941	84%	7,426,165	16%
OTHER (PACE)	MISCELLANEOUS COSTS	792,511	0	792,511	0	0%	0	0%	0	0%	792,511	100%
OTHER (PACE)	CONTINGENCY	0	0	0	0	0%	0	0%	0	0%	0	0%
SUBTOTAL OTHER - PACE BUDGET		792,511	0	792,511	0	0%	0	0%	0	0%	792,511	100%
TOTAL PROJECT COSTS		129,176,020	(1,650,431)	127,525,589	73,569,866	58%	2,029,481	2%	75,599,347	59%	51,926,243	41%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - LOAN BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)				
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)				
FHJ	GENERAL REQUIREMENTS	3,324,309	0	3,324,309	2,510,179	76%	144,738	4%	2,654,917	80%	669,392	20%
FHJ	HARD COSTS	35,785,661	0	35,785,661	17,454,931	49%	1,403,063	4%	18,857,994	53%	16,927,668	47%
TOTAL CONSTRUCTION		39,109,970	0	39,109,970	19,965,109	51%	1,547,802	4%	21,512,911	55%	17,597,060	45%
FHJ	SOFT CONSULTANTS	1,921,849	0	1,921,849	1,691,472	88%	2,225	0%	1,693,696	88%	228,153	12%
FHJ	SOFT PERMITS AND INSPECTIONS	204,041	0	204,041	66,823	33%	1,237	1%	68,060	33%	135,981	67%
TOTAL DEVELOPMENT		2,125,890	0	2,125,890	1,758,294	83%	3,462	0%	1,761,756	83%	364,134	17%
TOTAL PROJECT COSTS		41,235,860	0	41,235,860	21,723,403	53%	1,551,263	4%	23,274,666	56%	17,961,194	44%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - LOAN BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
FHJ - GC's	Site Administration	849,309	0	849,309	489,943	51,743	541,686	307,623
FHJ - GC's	Construction Management	2,200,000	0	2,200,000	1,745,236	92,996	1,838,231	361,769
FHJ - GC's	General Liability Insurance	90,000	0	90,000	90,000	0	90,000	0
FHJ - GC's	Builder's Risk Insurance	185,000	0	185,000	185,000	0	185,000	0
	Subtotal General Requirements	3,324,309	0	3,324,309	2,510,179	144,738	2,654,917	669,392
FHJ	Fire Sprinkler	342,583	0	342,583	69,512	48,634	118,146	224,437
FHJ	Fire Alarm System	321,150	0	321,150	11,250	0	11,250	309,900
FHJ	Fire Extinguishers and Cabinets	21,000	0	21,000	0	0	0	21,000
FHJ	Handrailings for Fire Escape	120,000	0	120,000	45,831	14,261	60,092	59,908
FHJ	Firewall Separation	136,000	0	136,000	31,459	0	31,459	104,541
FHJ	Fire Retardant and Treatment	189,200	0	189,200	0	44,927	44,927	144,273
FHJ	CMU for stairwells for fire safety	280,000	0	280,000	196,260	45,726	241,985	38,015
FHJ	CMU for elevators for fire safety	240,000	0	240,000	167,608	57,283	224,891	15,109
FHJ	Demolition (balance to complete)	534,000	0	534,000	534,000	0	534,000	0
FHJ	Mechanical Systems	3,371,620	0	3,371,620	2,131,694	112,190	2,243,883	1,127,737
FHJ	Solar (Placeholder)	0	0	0	0	0	0	0
FHJ	Electrical	2,044,146	0	2,044,146	1,111,917	79,028	1,190,945	853,201
FHJ	Interior Lighting and controls	1,300,000	0	1,300,000	72,048	22,387	94,435	1,205,565
FHJ	Access Controls and Security System	120,000	0	120,000	0	0	0	120,000
FHJ	Building Controls	85,000	0	85,000	1,091	17,300	18,391	66,609
FHJ	Roofing	1,103,397	0	1,103,397	791,040	65,453	856,493	246,904
FHJ	Windows/Glazing	5,870,200	0	5,870,200	1,927,004	334,750	2,261,755	3,608,445
FHJ	Drywall	450,000	0	450,000	19,457	54,840	74,296	375,704
FHJ	Interior Framing	1,348,648	0	1,348,648	460,464	37,680	498,144	850,504
FHJ	Insulation	406,324	0	406,324	0	25,767	25,767	380,557
FHJ	Acoustical Ceiling	170,000	0	170,000	0	0	0	170,000
FHJ	Elevators (New)	625,000	0	625,000	236,316	7,824	244,140	380,860
FHJ	Retro Exist Elevators	700,000	0	700,000	149,878	2,640	152,518	547,482
FHJ	Remediate Exist Elevators	480,000	0	480,000	139,803	36,626	176,430	303,570
FHJ	Structural Steel for Floors 3&4	6,380,000	0	6,380,000	6,295,270	68,269	6,363,539	16,461
FHJ	Interior Painting	390,000	0	390,000	23,161	20,200	43,361	346,639
FHJ	Plumbing	1,200,000	0	1,200,000	873,778	59,589	933,367	266,633
FHJ	Plumbing Fixtures	90,000	0	90,000	0	4,700	4,700	85,300
FHJ	Concrete for Decking (2 New Floors per Building)	2,380,000	(75,000)	2,305,000	1,194,609	113,177	1,307,786	997,214
FHJ	Rebuilding Lobby Foundation/Walls	280,000	0	280,000	86,505	25,685	112,190	167,810
FHJ	Concrete and Concrete Coring	275,000	75,000	350,000	346,940	3,054	349,994	6
FHJ	French Drains	110,000	0	110,000	28,494	0	28,494	81,506
FHJ	Restrooms	560,000	0	560,000	2,266	11,412	13,678	546,322
FHJ	Lobbies	720,000	0	720,000	3,335	608	3,943	716,057
FHJ	Lobby Furniture	296,000	0	296,000	0	0	0	296,000
FHJ	Roof Water Collection System	185,000	0	185,000	171,861	0	171,861	13,139
FHJ	Exterior Doors	125,000	0	125,000	0	0	0	125,000
FHJ	Interior Doors	178,000	0	178,000	0	0	0	178,000

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - LOAN BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)				
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)				
FHJ	Interior Fire Escapes	280,000	0	280,000	35,200	13%	23,950	9%	59,150	21%	220,850	79%
FHJ	Flooring	674,324	0	674,324	33,400	5%	49,546	7%	82,945	12%	591,379	88%
FHJ	Theater Remediation	400,000	0	400,000	50,000	13%	0	0%	50,000	13%	350,000	88%
FHJ	Gym	175,000	0	175,000	39,153	22%	0	0%	39,153	22%	135,847	78%
FHJ	Millwork	300,000	0	300,000	0	0%	0	0%	0	0%	300,000	100%
FHJ	Hardware	68,000	0	68,000	517	1%	0	0%	517	1%	67,483	99%
FHJ	Solid Surfaces	80,000	0	80,000	6,604	8%	2,568	3%	9,173	11%	70,827	89%
FHJ	Signage	101,070	0	101,070	77	0%	0	0%	77	0%	100,993	100%
FHJ	Exterior Renovation	280,000	0	280,000	167,132	60%	12,990	5%	180,122	64%	99,878	36%
Subtotal Hard Costs		35,785,661	0	35,785,661	17,454,931	49%	1,403,063	4%	18,857,994	53%	16,927,668	47%
TOTAL CONSTRUCTION		39,109,970	0	39,109,970	19,965,109	51%	1,547,802	4%	21,512,911	55%	17,597,060	45%
FHJ - Soft	Architectural Fees	759,392	0	759,392	757,167	100%	2,225	0%	759,392	100%	(0)	0%
FHJ - Soft	Structural Engineering Fees	485,000	0	485,000	462,000	95%	0	0%	462,000	95%	23,000	5%
FHJ - Soft	Environmental Engineering Fees	62,000	0	62,000	0	0%	0	0%	0	0%	62,000	100%
FHJ - Soft	Soil Engineering Fees	79,000	0	79,000	37,748	48%	0	0%	37,748	48%	41,252	52%
FHJ - Soft	Mechanical Engineering Fees	371,458	0	371,458	346,093	93%	0	0%	346,093	93%	25,365	7%
FHJ - Soft	Civil Engineering Fees	75,000	0	75,000	47,664	64%	0	0%	47,664	64%	27,336	36%
FHJ - Soft	Interior Design Fees	90,000	0	90,000	40,800	45%	0	0%	40,800	45%	49,200	55%
FHJ - Soft	Permits Fees and Third Party Inspections	204,041	0	204,041	66,823	33%	1,237	1%	68,060	33%	135,981	67%
Subtotal Consultants & Misc.		2,125,890	0	2,125,890	1,758,294	83%	3,462	0%	1,761,756	83%	364,134	17%
TOTAL DEVELOPMENT		2,125,890	0	2,125,890	1,758,294	83%	3,462	0%	1,761,756	83%	364,134	17%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - PACE BUDGET		(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
ITEM	ELEMENT							
FHJ	GENERAL REQUIREMENTS	0	0	0	0	0%	0	0%
FHJ	HARD COSTS	15,841,603	0	15,841,603	0	0%	0	100%
	TOTAL CONSTRUCTION	15,841,603	0	15,841,603	0	0%	0	100%
FHJ	-SOFT CONSULTANTS	365,000	0	365,000	0	0%	0	100%
FHJ	-SOFT PERMITS AND INSPECTIONS	78,000	0	78,000	0	0%	0	100%
	TOTAL DEVELOPMENT	443,000	0	443,000	0	0%	0	100%
	TOTAL PROJECT COSTS	16,284,603	0	16,284,603	0	0%	0	100%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - PACE BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
FHJ - GC's	Site Administration	0	0	0	0	0%	0	0%
FHJ - GC's	Construction Management	0	0	0	0	0%	0	0%
FHJ - GC's	General Liability Insurance	0	0	0	0	0%	0	0%
FHJ - GC's	Builder's Risk Insurance	0	0	0	0	0%	0	0%
	Subtotal General Requirements	0	0	0	0	0%	0	0%
FHJ	Fire Sprinkler	352,000	0	352,000	0	0%	0	100%
FHJ	Fire Alarm System	0	0	0	0	0%	0	0%
FHJ	Fire Extinguishers and Cabinets	0	0	0	0	0%	0	0%
FHJ	Handrailings for Fire Escape	0	0	0	0	0%	0	0%
FHJ	Firewall Separation	0	0	0	0	0%	0	0%
FHJ	Fire Retardant and Treatment	0	0	0	0	0%	0	0%
FHJ	CMU for stairwells for fire safety	0	0	0	0	0%	0	0%
FHJ	CMU for elevators for fire safety	0	0	0	0	0%	0	0%
FHJ	Demolition (balance to complete)	0	0	0	0	0%	0	0%
FHJ	Mechanical Systems	1,600,000	0	1,600,000	0	0%	0	100%
FHJ	Solar (Placeholder)	4,397,000	0	4,397,000	0	0%	0	100%
FHJ	Electrical	1,300,000	0	1,300,000	0	0%	0	100%
FHJ	Interior Lighting and controls	895,000	0	895,000	0	0%	0	100%
FHJ	Access Controls and Security System	0	0	0	0	0%	0	0%
FHJ	Building Controls	0	0	0	0	0%	0	0%
FHJ	Roofing	2,146,603	0	2,146,603	0	0%	0	100%
FHJ	Windows/Glazing	4,200,000	0	4,200,000	0	0%	0	100%
FHJ	Drywall	0	0	0	0	0%	0	0%
FHJ	Interior Framing	0	0	0	0	0%	0	0%
FHJ	Insulation	363,000	0	363,000	0	0%	0	100%
FHJ	Acoustical Ceiling	0	0	0	0	0%	0	0%
FHJ	Elevators (New)	0	0	0	0	0%	0	0%
FHJ	Retro Exist Elevators	0	0	0	0	0%	0	0%
FHJ	Remediate Exist Elevators	0	0	0	0	0%	0	0%
FHJ	Structural Steel for Floors 3&4	0	0	0	0	0%	0	0%
FHJ	Interior Painting	0	0	0	0	0%	0	0%
FHJ	Plumbing	378,000	0	378,000	0	0%	0	100%
FHJ	Plumbing Fixtures	210,000	0	210,000	0	0%	0	100%
FHJ	Concrete for Decking (2 New Floors per Building)	0	0	0	0	0%	0	0%
FHJ	Rebuilding Lobby Foundation/Walls	0	0	0	0	0%	0	0%
FHJ	Concrete and Concrete Coring	0	0	0	0	0%	0	0%
FHJ	French Drains	0	0	0	0	0%	0	0%
FHJ	Restrooms	0	0	0	0	0%	0	0%
FHJ	Lobbies	0	0	0	0	0%	0	0%
FHJ	Lobby Furniture	0	0	0	0	0%	0	0%
FHJ	Roof Water Collection System	0	0	0	0	0%	0	0%
FHJ	Exterior Doors	0	0	0	0	0%	0	0%
FHJ	Interior Doors	0	0	0	0	0%	0	0%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



BUILDINGS F, H AND J (FHJ) - PACE BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
FHJ	Interior Fire Escapes	0	0	0	0	0%	0	0%
FHJ	Flooring	0	0	0	0	0%	0	0%
FHJ	Theater Remediation	0	0	0	0	0%	0	0%
FHJ	Gym	0	0	0	0	0%	0	0%
FHJ	Millwork	0	0	0	0	0%	0	0%
FHJ	Hardware	0	0	0	0	0%	0	0%
FHJ	Solid Surfaces	0	0	0	0	0%	0	0%
FHJ	Signage	0	0	0	0	0%	0	0%
FHJ	Exterior Renovation	0	0	0	0	0%	0	0%
	Subtotal Hard Costs	15,841,603	0	15,841,603	0	0%	0	100%
TOTAL CONSTRUCTION		15,841,603	0	15,841,603	0	0%	0	100%
FHJ - Soft	Architectural Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Structural Engineering Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Environmental Engineering Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Soil Engineering Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Mechanical Engineering Fees	365,000	0	365,000	0	0%	0	100%
FHJ - Soft	Civil Engineering Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Interior Design Fees	0	0	0	0	0%	0	0%
FHJ - Soft	Permits Fees and Third Party Inspections	78,000	0	78,000	0	0%	0	100%
	Subtotal Consultants & Misc.	443,000	0	443,000	0	0%	0	100%
TOTAL DEVELOPMENT		443,000	0	443,000	0	0%	0	100%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



SERVICE FACILITY - LOAN BUDGET		(1)	(2)	(5)	(6)		(7)		(8)		(9)	
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM		CURRENT CLAIM (8-6)		TOTAL CLAIM		COST TO COMPLETE (5-8)	
FHJ	GENERAL REQUIREMENTS	870,187	0	870,187	621,321	71%	9,792	1%	631,113	73%	239,074	27%
FHJ	HARD COSTS	12,073,658	0	12,073,658	10,765,561	89%	158,891	1%	10,924,452	90%	1,149,206	10%
TOTAL CONSTRUCTION		12,943,845	0	12,943,845	11,386,882	88%	168,683	1%	11,555,565	89%	1,388,280	11%
FHJ	-SOFT CONSULTANTS	755,289	0	755,289	602,178	80%	2,507	0%	604,685	80%	150,604	20%
FHJ	-SOFT PERMITTING	70,490	0	70,490	70,490	100%	0	0%	70,490	100%	0	0%
TOTAL DEVELOPMENT		825,778	0	825,778	672,668	81%	2,507	0%	675,175	82%	150,604	18%
TOTAL PROJECT COSTS		13,769,623	0	13,769,623	12,059,549	88%	171,190	1%	12,230,739	89%	1,538,883	11%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



SERVICE FACILITY - LOAN BUDGET		(1)	(2)	(5)	(6)		(7)		(8)		(9)	
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM		CURRENT CLAIM (8-6)		TOTAL CLAIM		COST TO COMPLETE (5-8)	
Infra - GC's	Insurance	180,000	0	180,000	167,333	93%	0	0%	167,333	93%	12,667	7%
Infra - GC's	Utilities	295,000	0	295,000	136,024	46%	4,458	2%	140,482	48%	154,518	52%
Infra - GC's	Waste Management	278,187	0	278,187	267,990	96%	5,334	2%	273,324	98%	4,863	2%
Infra - GC's	Security	42,000	0	42,000	40,729	97%	0	0%	40,729	97%	1,271	3%
Infra - GC's	Temporary Fencing and Erosion Control	75,000	0	75,000	9,245	12%	0	0%	9,245	12%	65,755	88%
	Subtotal General Requirements	870,187	0	870,187	621,321	71%	9,792	1%	631,113	73%	239,074	27%
Infra - HC	Electric Grid	1,900,000	0	1,900,000	1,837,537	97%	42,778	2%	1,880,315	99%	19,685	1%
Infra - HC	Service Facility for Sewer System Repairs	277,598	0	277,598	180,653	65%	12,685	5%	193,338	70%	84,259	30%
Infra - HC	Creek Restoration	354,106	0	354,106	113,999	32%	0	0%	113,999	32%	240,106	68%
Infra - HC	Restoration of Common Areas	680,005	0	680,005	636,355	94%	41,767	6%	678,121	100%	1,884	0%
Infra - HC	Excavation and Regrading	366,640	0	366,640	193,411	53%	6,298	2%	199,708	54%	166,932	46%
Infra - HC	Restoration of French Drains	0	0	0	0	0%	0	0%	0	0%	0	0%
Infra - HC	Renovation of Fire Sprinkler System	225,844	0	225,844	225,844	100%	0	0%	225,844	100%	0	0%
Infra - HC	Streets and Sidewalks	231,451	0	231,451	93,667	40%	0	0%	93,667	40%	137,784	60%
Infra - HC	Exterior Lighting	100,000	0	100,000	99,073	99%	0	0%	99,073	99%	927	1%
Infra - HC	Rebuilding of Retaining Walls	315,000	0	315,000	0	0%	0	0%	0	0%	315,000	100%
Infra - HC	Building V - Leasing Center	548,014	0	548,014	548,014	100%	0	0%	548,014	100%	0	0%
Infra - HC	Contractor's Lounge	75,000	0	75,000	75,000	100%	0	0%	75,000	100%	0	0%
Infra - HC	Mechanical: Chillers, Thermal, Pumps, Cool Towers	6,200,000	0	6,200,000	5,966,783	96%	55,363	1%	6,022,146	97%	177,854	3%
Infra - HC	CPU Demolition and Retrofit	800,000	0	800,000	795,225	99%	0	0%	795,225	99%	4,775	1%
	Subtotal Hard Costs	12,073,658	0	12,073,658	10,765,561	89%	158,891	1%	10,924,452	90%	1,149,206	10%
TOTAL CONSTRUCTION		12,943,845	0	12,943,845	11,386,882	88%	168,683	1%	11,555,565	89%	1,388,280	11%
Infra - Soft	Master Land Planner	96,863	0	96,863	67,415	70%	2,057	2%	69,473	72%	27,390	28%
Infra - Soft	Legal	198,052	0	198,052	198,052	100%	0	0%	198,052	100%	0	0%
Infra - Soft	MEP	272,808	0	272,808	170,744	63%	0	0%	170,744	63%	102,064	37%
Infra - Soft	Civil Engineer	92,653	0	92,653	91,566	99%	450	0%	92,016	99%	637	1%
Infra - Soft	Surveys	68,913	0	68,913	48,400	70%	0	0%	48,400	70%	20,512	30%
Infra - Soft	Appraisal	26,000	0	26,000	26,000	100%	0	0%	26,000	100%	0	0%
Infra - Soft	Permitting Fees	70,490	0	70,490	70,490	100%	0	0%	70,490	100%	0	0%
	Subtotal Consultants & Misc.	825,778	0	825,778	672,668	81%	2,507	0%	675,175	82%	150,604	18%
TOTAL DEVELOPMENT		825,778	0	825,778	672,668	81%	2,507	0%	675,175	82%	150,604	18%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



SERVICE FACILITY - PACE BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
FHJ	GENERAL REQUIREMENTS	0	0	0	0	0%	0	0%
FHJ	HARD COSTS	7,727,887	0	7,727,887	0	0%	0	100%
	TOTAL CONSTRUCTION	7,727,887	0	7,727,887	0	0%	0	100%
	FHJ -SOFT CONSULTANTS	195,000	0	195,000	0	0%	0	100%
	FHJ -SOFT PERMITTING	0	0	0	0	0%	0	0%
	TOTAL DEVELOPMENT	195,000	0	195,000	0	0%	0	100%
	TOTAL PROJECT COSTS	7,922,887	0	7,922,887	0	0%	0	100%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



SERVICE FACILITY - PACE BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
Infra - GC's	Insurance	0	0	0	0	0%	0	0%
Infra - GC's	Utilities	0	0	0	0	0%	0	0%
Infra - GC's	Waste Management	0	0	0	0	0%	0	0%
Infra - GC's	Security	0	0	0	0	0%	0	0%
Infra - GC's	Temporary Fencing and Erosion Control	0	0	0	0	0%	0	0%
	Subtotal General Requirements	0	0	0	0	0%	0	0%
Infra - HC	Electric Grid	2,425,289	0	2,425,289	0	0%	0	100%
Infra - HC	Service Facility for Sewer System Repairs	277,598	0	277,598	0	0%	0	100%
Infra - HC	Creek Restoration	0	0	0	0	0%	0	0%
Infra - HC	Restoration of Common Areas	0	0	0	0	0%	0	0%
Infra - HC	Excavation and Regrading	0	0	0	0	0%	0	0%
Infra - HC	Restoration of French Drains	175,000	0	175,000	0	0%	0	100%
Infra - HC	Renovation of Fire Sprinkler System	200,000	0	200,000	0	0%	0	100%
Infra - HC	Streets and Sidewalks	0	0	0	0	0%	0	0%
Infra - HC	Exterior Lighting	300,000	0	300,000	0	0%	0	100%
Infra - HC	Rebuilding of Retaining Walls	0	0	0	0	0%	0	0%
Infra - HC	Building V - Leasing Center	0	0	0	0	0%	0	0%
Infra - HC	Contractor's Lounge	0	0	0	0	0%	0	0%
Infra - HC	Mechanical: Chillers, Thermal, Pumps, Cool Towers	2,800,000	0	2,800,000	0	0%	0	100%
Infra - HC	CPU Demolition and Retrofit	1,550,000	0	1,550,000	0	0%	0	100%
	Subtotal Hard Costs	7,727,887	0	7,727,887	0	0%	0	100%
TOTAL CONSTRUCTION		7,727,887	0	7,727,887	0	0%	0	100%
Infra - Soft	Master Land Planner	0	0	0	0	0%	0	0%
Infra - Soft	Legal	0	0	0	0	0%	0	0%
Infra - Soft	MEP	195,000	0	195,000	0	0%	0	100%
Infra - Soft	Civil Engineer	0	0	0	0	0%	0	0%
Infra - Soft	Surveys	0	0	0	0	0%	0	0%
Infra - Soft	Appraisal	0	0	0	0	0%	0	0%
Infra - Soft	Permitting Fees	0	0	0	0	0%	0	0%
	Subtotal Consultants & Misc.	195,000	0	195,000	0	0%	0	100%
TOTAL DEVELOPMENT		195,000	0	195,000	0	0%	0	100%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



OTHER ITEMS - LOAN BUDGET		(1)	(2)	(3)	(4)	(5)	(6)		(7)		(8)		(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	PREVIOUS BUDGET	CURRENT REVISIONS (5-3)	CURRENT BUDGET	PREVIOUS CLAIM		CURRENT CLAIM (8-6)		TOTAL CLAIM		COST TO COMPLETE (5-8)
Other	Developer's Fee	0	0	0	0	0	0	0%	0	0%	0	0%	0
Other	Tenant Improvements (F: 1st and 2nd Floors Only)	3,500,000	0	6,646,380	(3,146,380)	3,500,000	1,932,518	55%	307,027	9%	2,239,545	64%	1,260,455
Other	Tenant Improvements (F: 3rd and 4th Floors Only)	3,146,380	0			3,146,380	0	0%	0	0%	0	0%	3,146,380
Other	Commissions 6%	500,000	0	500,000	0	500,000	0	0%	0	0%	0	0%	500,000
Other	Loan Closing Costs & Fees	3,360,000	0	2,480,000	880,000	3,360,000	3,296,813	98%	0	0%	3,296,813	98%	63,187
Other	Interest Reserve & Closing Costs	8,500,000	0	8,500,000	0	8,500,000	6,662,125	78%	0	0%	6,662,125	78%	1,837,875
Other	PACE Program Costs	0	0	0	0	0	0	0%	0	0%	0	0%	0
Other	Payoff of Existing Loan	27,665,589	0	27,368,137	297,452	27,665,589	27,665,589	100%	0	0%	27,665,589	100%	0
Other	Contingency	2,268,699	(1,650,431)	2,268,699	(1,650,431)	618,268	0	0%	0	0%	0	0%	618,268
Other	Property Taxes 2017	229,869	0	229,869	0	229,869	229,869	100%	0	0%	229,869	100%	0
TOTAL CONSTRUCTION		49,170,537	(1,650,431)	47,993,085	(3,619,359)	47,520,106	39,786,914	84%	307,027	1%	40,093,941	84%	7,426,165

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



OTHER ITEMS PACE BUDGET		(1)	(2)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
Other	Developer's Fee	0	0	0	0	0%	0	0%
Other	Tenant Improvements (F Only)	0	0	0	0	0%	0	0%
Other	Commissions 6%	0	0	0	0	0%	0	0%
Other	Loan Closing Costs & Fees	0	0	0	0	0%	0	0%
Other	Interest Reserve & Closing Costs	375,000	0	375,000	0	0%	0	375,000 100%
Other	PACE Program Costs	417,511	0	417,511	0	0%	0	417,511 100%
Other	Payoff of Existing Loan	0	0	0	0	0%	0	0 0%
Other	Contingency	0	0	0	0	0%	0	0 0%
Other	Property Taxes 2017	0	0	0	0	0%	0	0 0%
TOTAL CONSTRUCTION		792,511	0	792,511	0	0%	0	792,511 100%

Progress Claim Form

Project: Eightfold

Location: Austin, TX

Lender: Romspen Mortgage, L.P.

Borrower: 3443 Zen Garden Limited Partnership

Claim No: 11



WORK WELL WIN (NETWORK GROUP) TI'S		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ITEM	ELEMENT	ORIGINAL BUDGET	OVERALL REVISIONS (5-1)	PREVIOUS BUDGET	CURRENT REVISIONS (5-3)	CURRENT BUDGET	PREVIOUS CLAIM	CURRENT CLAIM (8-6)	TOTAL CLAIM	COST TO COMPLETE (5-8)
TI's	Construction Mobilization & Building Protection	0	0		0	0	0	0%	0	0%
TI's	Framing	204,044	0		204,044	204,044	200,898	98%	3,091	2%
TI's	Drywall	170,631	0		170,631	170,631	118,358	69%	44,792	26%
TI's	Coring	5,000	0		5,000	5,000	5,000	100%	0	0%
TI's	Fire Caulking	7,500	0		7,500	7,500	5,641	75%	0	0%
TI's	Insulation	25,387	0		25,387	25,387	10,801	43%	8,339	33%
TI's	Fire Alarm System	65,689	0		65,689	65,689	3,285	5%	0	0%
TI's	Fire Sprinkler System	142,907	0		142,907	142,907	117,733	82%	2,410	2%
TI's	Fire Extinguishers and Cabinets	5,000	0		5,000	5,000	0	0%	0	0%
TI's	Drop Ceilings	3,071	0		3,071	3,071	0	0%	0	0%
TI's	Wood Doors	30,280	0		30,280	30,280	274	1%	0	0%
TI's	Glazing and Framing	352,436	0		352,436	352,436	251,911	71%	20,000	6%
TI's	Door Hardware	52,723	0		52,723	52,723	0	0%	0	0%
TI's	Lighting and Controls	198,335	0		198,335	198,335	183,394	92%	13,562	7%
TI's	Electrical	448,300	0		448,300	448,300	352,236	79%	40,228	9%
TI's	Plumbing	64,974	0		64,974	64,974	57,704	89%	2,947	5%
TI's	Plumbing Fixtures	25,848	0		25,848	25,848	11,724	45%	14,033	54%
TI's	Mechanical/Balancing	548,613	0		548,613	548,613	247,881	45%	36,331	7%
TI's	Interior Finishes	17,183	0		17,183	17,183	191	1%	15,813	92%
TI's	Millwork (paint grade cabinets)	42,558	0		42,558	42,558	17,165	40%	0	0%
TI's	Ironwork (Stair handrails)	38,293	0		38,293	38,293	11,771	31%	4,803	13%
TI's	Solid Surfaces: Break Rooms	27,046	0		27,046	27,046	1,567	6%	913	3%
TI's	Interior Millwork (Baseboard)	29,283	0		29,283	29,283	5,259	18%	0	0%
TI's	Shower Rooms	97,475	0		97,475	97,475	0	0%	26,166	27%
TI's	Lobby	71,974	0		71,974	71,974	0	0%	9,385	13%
TI's	Flooring	322,312	0		322,312	322,312	131,495	41%	28,746	9%
TI's	Dumpster and Disposal Fees	21,650	0		21,650	21,650	1,061	5%	0	0%
TI's	Construction Cleaning	20,000	0		20,000	20,000	10,927	55%	3,710	19%
TI's	Equipment Rental	42,867	0		42,867	42,867	3,612	8%	7,619	18%
TI's	Final Cleaning	15,000	0		15,000	15,000	0	0%	0	0%
TI's	Third Party Inspections	7,500	0		7,500	7,500	0	0%	0	0%
TI's	Site Management	75,000	0		75,000	75,000	25,245	34%	0	0%
TI's	Professional Fees	181,675	0		181,675	181,675	134,379	74%	8,064	4%
TI's	Insurance	8,000	0		8,000	8,000	0	0%	0	0%
TI's	Interior Signage by Builder	15,185	0		15,185	15,185	0	0%	0	0%
TI's	Paint & Dryfall Paint	116,260	0		116,260	116,260	23,006	20%	16,076	14%
TOTAL		3,500,000	0	0	3,500,000	3,500,000	1,932,518	55%	307,027	9%
									2,239,545	64%
										1,260,455
										36%



APPENDIX 2

Lien Waivers



APPENDIX 3

Site Photographs



APPENDIX 4

Other Draw Backup



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